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**Department of  
Veterans Affairs**

**Information  
Bulletin**

September 6, 2000

Loan Guaranty Letter 00-12  
262-1

SUBJ: VA Value Determinations For HUD Purposes

1. **Purpose**. This circular is in response to HUD Mortgagee Letter 00-28, which prohibits the conversion of VA value determinations for FHA purposes unless the fee appraiser involved is also a member of the FHA Roster of Appraisers.
2. **Actions**. To help prevent duplicative efforts and unnecessary appraisal costs associated with FHA-insured loans.
3. **VA/FHA Cooperation**. If you are not already a member of the FHA Roster of Appraisers we encourage you to become a member, so that your appraisals can also be used for FHA purposes.
4. **Other items**. There have been some changes in our operation procedures:

Effective immediately VA is no longer reviewing and approving Planned Unit Developments (PUDs). You will no longer have to assure that a PUD project has been approved by VA prior to completing the appraisal. You still have to indicate on your appraisal report what the HOA fee is and what common elements are included.

On January 1, 2001, appraisal assignments for multi-unit properties must be completed on Fannie Mae Form 1025 (Small residential Income Property Appraisal Report). You do not have to complete the Income and Expense part of this form. Also, on January 1, 2001, appraisal assignments for Condominium appraisals must be completed on Fannie Mae Form 1073 (Individual Condominium Unit Appraisal Report). Use of either one of these forms is optional until January 1, 2001.

VLINDA A. CHILDS  
Loan Guaranty Officer

Distribution: Colorado, Montana, and Wyoming Fee Appraisers